

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE

FILED

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UNITED STATES OF AMERICA,

Plaintiff,

v.

CHARLES KACZMARCZYK, and
MARTHA ANN KACZMARCZYK,

Defendants.

U.S. DISTRICT COURT
EASTERN DIST. TENN.

DEPT. CLERK

NO. 3:12-cr-87

JUDGES

Phillips - Shirley

INDICTMENT

The grand jury charges:

COUNT ONE

Conspiracy to Steal Public Money

Beginning on or about October 7, 2006, and continuing until on or about May 23, 2012, within the Eastern District of Tennessee, the defendants CHARLES KACZMARCZYK and MARTHA ANN KACZMARCZYK, did unlawfully and knowingly, combine, conspire, confederate, and agree with each other to commit an offense against the United States, that is stealing, purloining, and converting to their own use money of the United States or of an agency thereof by obtaining more than \$1,000 in disability payments and benefits from the United States Department of Veterans Affairs and the Social Security Administration, in violation of Title 18, United States Code, Section 641.

Objects and Purposes of the Conspiracy

The objects and purposes of the conspiracy were for the defendants to make false statements and submit false information to the United States Department of Veterans Affairs and

the Social Security Administration for the purpose of inducing those agencies to award CHARLES KACZMARCZYK disability payments and benefits to which he was not entitled.

Manner and Means of the Conspiracy

It was part of the conspiracy that:

1. CHARLES KACZMARCZYK applied for and received disability payments and benefits from the United States Department of Veterans Affairs and the Social Security Administration based on a claim of combat-related Posttraumatic Stress Disorder (PTSD).

2. In support of his disability claims, CHARLES KACZMARCZYK informed the United States Department of Veterans Affairs and the Social Security Administration that he suffered from PTSD as a result of his participation in specific Special Operations combat missions during and after the Vietnam War, including the Iranian hostage rescue mission and S.S. Myaguez rescue mission.

3. CHARLES KACZMARCZYK did not actually participate in those specific Special Operations combat missions. He fabricated the information for the purpose of inducing the United States Department of Veterans Affairs and the Social Security Administration to award him disability payments and benefits on the basis of combat-related PTSD.

4. CHARLES KACZMARCZYK further supported his claims of combat-related PTSD by manufacturing false United States Air Force records showing that he had earned numerous medals for his combat experience, including two Purple Hearts and two Silver Stars. He did not actually earn those medals. Those false United States Air Force records were used by CHARLES KACZMARCZYK to buttress his claim that he was entitled to disability payments and benefits from the United States Department of Veterans Affairs and the Social Security

Administration on the basis of combat-related PTSD.

5. MARTHA ANN KACZMARCZYK, the wife of CHARLES KACZMARCZYK, has actively assisted CHARLES KACZMARCZYK in his continued unlawful receipt of disability benefits from the United States Department of Veterans Affairs and the Social Security Administration.

6. CHARLES KACZMARCZYK and MARTHA ANN KACZMARCZYK have knowingly provided the United States Department of Veterans Affairs and the Social Security Administration with false information for the purpose of inducing those agencies to continue providing CHARLES KACZMARCZYK disability payments and benefits to which he is not entitled.

Overt Acts

In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the Eastern District of Tennessee:

1. On or about November 28, 2007, CHARLES KACZMARCZYK provided false information about his military service and medical condition during a United States Department of Veterans Affairs medical examination relating to his claim of disability due to combat-related PTSD.

2. On or about September 24, 2011, as part of the Social Security disability review process, MARTHA ANN KACZMARCZYK provided false information regarding CHARLES KACZMARCZYK's medical condition on a Function Report that was submitted to the Social Security Administration.

3. On or about October 3, 2011, CHARLES KACZMARCZYK provided false information about his military service and medical condition during a Social Security Administration medical examination relating to his claim of disability due to combat-related PTSD.

4. On or about February 15, 2012, MARTHA ANN KACZMARCZYK and CHARLES KACZMARCZYK provided false information regarding CHARLES KACZMARCZYK's medical condition to a United States Department of Veterans Affairs medical examiner in connection with a United States Department of Veterans Affairs medical examination relating to CHARLES KACZMARCZYK's claim of disability due to combat-related PTSD.

All such conduct violated Title 18, United States Code, Section 371.

COUNT TWO
Stealing Public Money

Beginning in or around October of 2002 and continuing until on or about May 23, 2012, in the Eastern District of Tennessee and elsewhere, CHARLES KACZMARCZYK willfully and knowingly did steal, purloin, and convert to his own use money of the United States or an agency thereof by obtaining more than \$1,000 in disability payments and benefits from the United States Department of Veterans Affairs to which he was not entitled. Such conduct violated Title 18, United States Code, Section 641.

COUNT THREE
Stealing Public Money

Beginning in or around October of 2002 and continuing until on or about May 23, 2012, in the Eastern District of Tennessee and elsewhere, CHARLES KACZMARCZYK willfully and knowingly did steal, purloin, and convert to his own use money of the United States or an agency

thereof by obtaining more than \$1,000 in disability payments and benefits from the Social Security Administration to which he was not entitled. Such conduct violated Title 18, United States Code, Section 641.

COUNT FOUR
Stealing Public Money

Beginning in or around March of 2007 and continuing until on or about May 23, 2012, in the Eastern District of Tennessee, MARTHA ANN KACZMARCZYK, willfully and knowingly did steal, purloin, and convert to her own use money of the United States or an agency thereof by obtaining more than \$1,000 in disability payments and benefits from the Social Security Administration to which she was not entitled. Such conduct violated Title 18, United States Code, Section 641.

COUNT FIVE
Social Security Fraud

On or about October 3, 2011, in the Eastern District of Tennessee, CHARLES KACZMARCZYK, in a matter within the jurisdiction of the Social Security Administration, knowingly and willfully made a materially false statement and representation in that he stated during a Social Security Administration medical examination that he suffered from combat-related PTSD due to his participation in Special Operations combat missions. Such conduct violated Title 42, United States Code, Section 408(a)(3).

COUNT SIX
Social Security Fraud

On or about September 24, 2011, in the Eastern District of Tennessee, CHARLES KACZMARCZYK, aided and abetted by MARTHA ANN KACZMARCZYK, in a matter within the jurisdiction of the Social Security Administration, knowingly and willfully made or caused to

be made a materially false statement and representation on a Function Report regarding CHARLES KACZMARCZYK's suffering from combat-related PTSD. The Function Report was completed by MARTHA ANN KACZMARCZYK and submitted to the Social Security Administration as part of the disability benefits determination and review process for CHARLES KACZMARCZYK. Such conduct violated Title 42, United States Code, Section 408(a)(3) and Title 18, United States Code, Section 2.

COUNT SEVEN
Social Security Fraud

On or about December 16, 2011, in the Eastern District of Tennessee, MARTHA ANN KACZMARCZYK, in a matter within the jurisdiction of the Social Security Administration, knowingly and willfully made or caused to be made a materially false statement and representation regarding the nature and extent of her alleged back condition on a Continuing Disability Review Report. The Continuing Disability Review Report was completed by MARTHA ANN KACZMARCZYK and submitted to the Social Security Administration as part of the disability benefits determination and review process for MARTHA ANN KACZMARCZYK. Such conduct violated Title 42, United States Code, Section 408(a)(3).

COUNT EIGHT
False Statement to United States Department of Veterans Affairs

On or about November 28, 2007, in the Eastern District of Tennessee, in a matter within the jurisdiction of the United States Department of Veterans Affairs, a department of the United States, CHARLES KACZMARCZYK, knowingly and willfully made a materially false and fraudulent statement and representation, in that he stated during a United States Department of Veterans Affairs medical examination that he suffered from combat-related PTSD due to his

participation in Special Operations combat missions. Such conduct violated Title 18, United States Code, Section 1001(a)(2).

FORFEITURE ALLEGATION

1. The allegations contained in Counts One, Two, Three, and Four, of this Indictment are hereby re-alleged and incorporated by reference herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853.

2. Upon conviction of the offenses charged in Counts One, Two, Three, and Four of this Indictment, the defendants, CHARLES KACZMARCZYK and MARTHA ANN KACZMARCZYK, shall forfeit the following to the United States of America:

(a) Pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853, any property, real or personal, which constitutes or is derived from proceeds obtained, directly and indirectly, as a result of such violations, including but not limited to \$78,804.59 found in USAA Federal Savings Bank account number XXXXXXXXXX881-7 in the name of CHARLES KACZMARCZYK and MARTHA ANN KACZMARCZYK, as well as a money judgment in the amount of the proceeds derived from any such violations.

3. In the event that any property, real and personal, constituting proceeds of the offenses set forth in this Indictment, or used or intended to be used to commit the offenses set forth in this Indictment, as a result of any act and omission of the defendants (1) cannot be located upon the exercise of due diligence; (2) has been transferred and sold to, and deposited with a third party; (3) has been placed beyond the jurisdiction of the Court; (4) has been substantially diminished in value; and (5) has been commingled with other property which

cannot be divided without difficulty, the defendants shall, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), forfeit any other property of the defendants up to the value of property subject to forfeiture pursuant to the offenses charged herein.

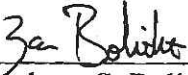
All pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 21, United States Code, Section 853.

A TRUE BILL:

SIGNATURE REDACTED

Foreperson

WILLIAM C. KILLIAN
United States Attorney



Zachary C. Bolitho
Assistant United States Attorney